

# CRITICAL TRANSITIONS WEALTH ADVISORS

## Avoiding COVID-19 Scams

Scammers, fraudsters, and other criminals are taking advantage of rapidly changing data and facts associated with COVID-19, both in the workplace and in our homes. Government agencies, corporations, and news outlets continue to warn individuals to be mindful of increased fraudulent activities during these uncertain times. These scams, which can be sent via email, text message, and social media claim to provide COVID-19 updates, sell products, ask for charitable donations, or reference government aid packages. These messages appear to be legitimate in nature but seek to fraudulently obtain personal information, financial gain, and create panic. Use these tips to identify and avoid scams:

- ✔ Watch for emails claiming to be from the Centers for Disease Control and Prevention (CDC) or experts claiming to have inside information on the virus.
- ✔ Do your homework prior to donating to charities or crowdfunding sites. Confirm the validity of the organization as scammers are now advertising fake charities. Do not let anyone rush you into a donation.
- ✔ Do not click on links or open attachments from sources you do not know. Cybercriminals are using the COVID-19 headline as a tactic to spread viruses and steal information. Never provide personal or payment information via suspicious email addresses.
- ✔ Be suspicious of urgent demands and emergency requests. The health and safety of you and your family the the top priority. Do not fall for fraudsters threatening fees or fines or cancelled deliveries in exchange for financial gain.
- ✔ If it sounds too good to be true, it likely is. Many individuals have begun to receive robo-calls and social media requests for social security numbers, banking information, and gift cards. Scammers promise high paying work from home opportunities, free sanitation and cleaning, as well as COVID-19 protection in exchange for payment and sensitive information.
- ✔ Be mindful of scammers using government aid packages for criminal gain. Americans have started to receive stimulus checks to assist with the financial burden of the virus. Please know the government will not request payment, nor will anyone reach out requesting personal health or financial information in exchange for financial support.
- ✔ Get your News from a trusted source. Be mindful of text message scams, social media polls and fraudulent email accounts sharing false information to create panic.

When in doubt, ask a coworker, family member, or friend for their opinion. Two sets of eyes are better than one. If you believe you have fallen victim of a scam, call your local police at their non-emergency number and consider reporting to the FBI's IC3 Internet Crime Database. If you have any questions or concerns during this, please do not hesitate to reach out.

## Mortgage rates are down - should you refinance?

In recent years, Americans seeking to take advantage of low interest rates have lined up to refinance their mortgages - often resulting in significantly lower monthly payments. But while it's true that refinancing has the potential to help you reduce the costs associated with borrowing money to own a home, it is not necessarily a strategy that makes sense for every individual in every situation. So before you make a commitment to refinance your mortgage, it's important to do your homework and determine whether such a move is the right one for you.

To Refinance or Not ?

The old and arbitrary rule of thumb said that a refi only makes sense if you can lower your interest rate by at least two percentage points - for example, from 6% to 4%. But what really matters is how long it will take you to break even and whether you plan to stay in your home that long. In other words, make sure you understand - and are comfortable with - the amount of time it will take for your overall savings to compensate for the cost of the refinancing.

Consider this: If you had a 30-year \$200,000 mortgage with a 6.5% interest rate, your monthly payment would be \$1,264. If you refinanced at 4.5%, your new monthly payment would be \$1,013, a savings of \$251 per month. Assuming that your new closing costs amounted to \$2,000, it would take eight months to break even ( $\$251 \times 8 = \$2,008$ ). If you planned to stay in your home for at least eight more months, then a refi would be appropriate under these conditions. If you planned to sell the house before then, you might not want to bother refinancing.

Also keep in mind that your current lender may make it easier and cheaper to refinance than another lender would. That's because your current lender is likely to have all of your important financial information on hand already, which reduces the time and resources necessary to process your application. But don't let that be your only consideration. To make a well-informed, confident decision you'll need to shop around, crunch the numbers, and ask plenty of questions. I am happy to refer you to someone who has worked well for our clients too.



## COVID-19

Our everyday lives have changed dramatically over the past weeks as we work together to minimize the impact of the COVID-19 pandemic. However, I want you to know I am just as available to you as always.

Even while we are practicing “social distancing” and stopping face to face meetings for now, there are many ways for us to remain connected. Please reach out to me with any questions or concerns you may have via email or phone. Also, remember we can now text with clients! Our phone number for texting is (803) 828-0347. I would love to hear from you.

Stay safe and healthy.



## Please connect with us on Facebook

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## Office Hours

Our office will be closed Monday, May 25th in observance of Memorial Day.

*"A hero is someone who has given his or her life to something bigger than oneself."  
~Joseph Campbell*



**Stephanie Y. Vokral**  
AIF®, CFP®, CDFIA®

**Jessie R. Faircloth**  
Director of Client Relations



111 Stonemark Lane, Suite 104 / Columbia, SC 29210 / T: 803.749.7012

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